

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

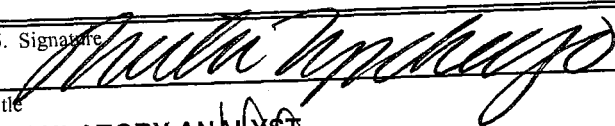
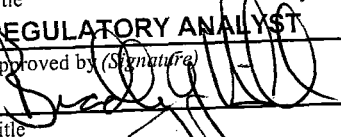
FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>UTU-71424</b>
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>KERR MCGEE OIL &amp; GAS ONSHORE LP</b>		7. If Unit or CA Agreement, Name and No. <b>MULLIGAN UNIT #UTU-80643X</b>
3A. Address <b>1368 SOUTH 1200 EAST VERNAL, UT 84078</b>	3b. Phone No. (include area code) <b>(435) 781-7024</b>	8. Lease Name and Well No. <b>MULLIGAN 823-23H</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>SENE 1980'FNL, 660'FEL 646029X 40.110612</b> At proposed prod. Zone <b>4441164Y -109.286586</b>		9. API Well No. <b>43-047-38631</b>
14. Distance in miles and direction from nearest town or post office* <b>30.1 MILES SOUTH OF VERNAL, UTAH</b>		10. Field and Pool, or Exploratory <b>MULLIGAN Underspread</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>660'</b>	16. No. of Acres in lease <b>2560.00</b>	11. Sec., T., R., M., or Blk. and Survey or Area <b>SEC. 23, T8S, R23E</b>
18. Distance from proposed* location to nearest well, drilling, completed, applied for, on this lease, ft. <b>REFER TO TOPO C</b>	19. Proposed Depth <b>9190'</b>	12. County or Parish <b>UINTAH</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5080'UNGRADED GL</b>		13. State <b>UTAH</b>
22. Approximate date work will start*		17. Spacing Unit dedicated to this well <b>40.00</b>
23. Estimated duration		20. BLM/BIA Bond No. on file <b>BOND NO: WY-2357</b>

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized office.

25. Signature 	Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Date <b>9/11/2006</b>
Title <b>REGULATORY ANALYST</b>	Name (Printed/Typed) <b>BRADLEY G. HILL</b>	Date <b>09-21-06</b>
Approved by (Signature) 	Office <b>ENVIRONMENTAL MANAGER</b>	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

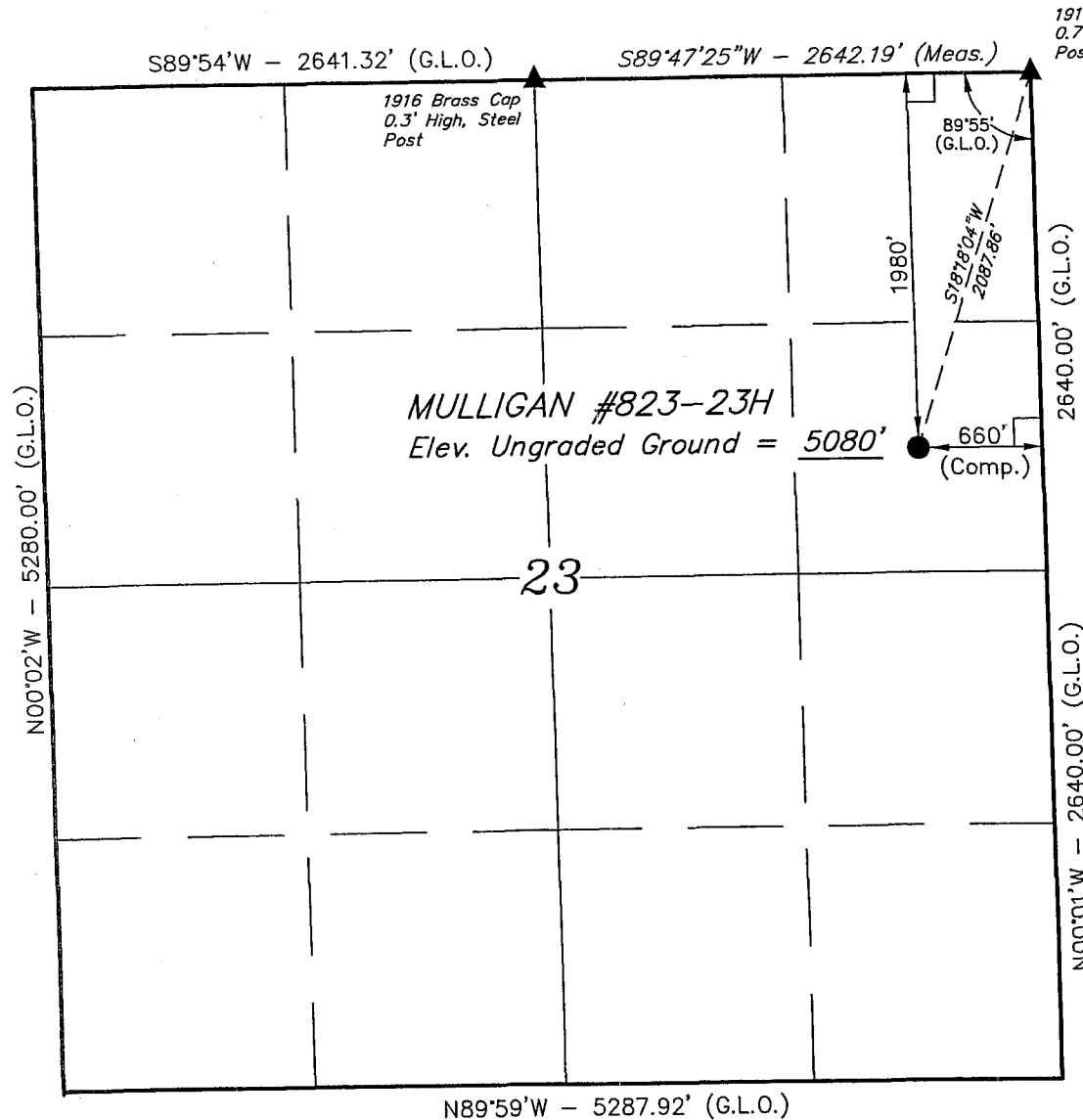
Federal Approval of this  
Action is Necessary



T8S, R23E, S.L.B.&M.

# Kerr-McGee Oil & Gas Onshore LP

Well location, MULLIGAN #823-23H, located as shown in the SE 1/4 NE 1/4 of Section 23, T8S, R23E, S.L.B.&M., Uintah County, Utah.

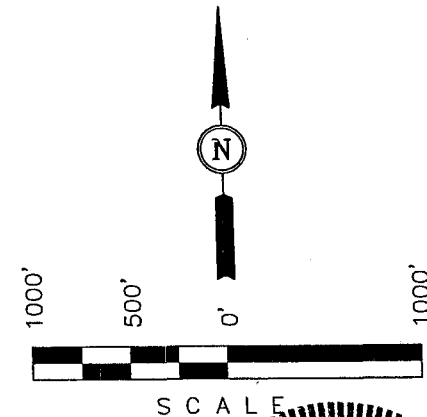


## BASIS OF ELEVATION

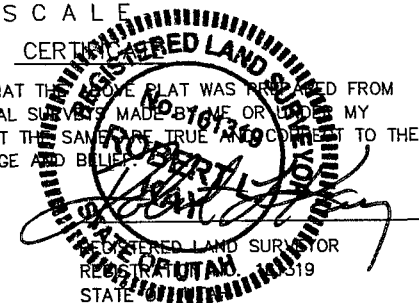
BENCH MARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

## BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



## LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)  
 LATITUDE = 40°06'35.90" (40.109972)  
 LONGITUDE = 109°17'14.11" (109.287253)  
 (NAD 27)  
 LATITUDE = 40°06'36.03" (40.110008)  
 LONGITUDE = 109°17'11.67" (109.286575)

UINTAH ENGINEERING & LAND SURVEYING  
 85 SOUTH 200 EAST - VERNAL, UTAH 84078  
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 06-12-06	DATE DRAWN: 06-19-06
PARTY D.K. J.M. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE Kerr-McGee Oil & Gas Onshore LP	



MULLIGAN 823-23H  
SENE SEC 23, T8S, R23E  
UINTAH COUNTY, UTAH  
UTU-71424

ONSHORE ORDER NO. 1

***DRILLING PROGRAM***

1. **Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1737'
Mahogany	3037'
Wasatch	5042'
Mesaverde	7027'
MVU2	8016'
MVL1	8470'
TD	9190'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1737'
	Mahogany	3037'
	Wasatch	5042'
Gas	Mesaverde	7027'
Gas	MVU2	8016'
Gas	MVL1	8470'
Gas	N/A	
Water	N/A	
Other Minerals		

3. **Pressure Control Equipment** (Schematic Attached)

*Please refer to the attached Drilling Program.*

4. **Proposed Casing & Cementing Program:**

*Please refer to the attached Drilling Program.*

5. **Drilling Fluids Program:**

*Please refer to the attached Drilling Program.*

6. **Evaluation Program:**

*Please refer to the attached Drilling Program.*



7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9190' TD, approximately equals 5698 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3676 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

*Drilling is planned to commence immediately upon approval of this application.*

9. **Variances:**

*Please refer to the attached Drilling Program.*

10. **Other Information:**

*Please refer to the attached Drilling Program.*



**KERR-McGEE OIL & GAS ONSHORE LP**  
**DRILLING PROGRAM**

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP	DATE	September 11, 2006	
WELL NAME	MULLIGAN 823-23H	TD	9,190'	MD/TVD
FIELD	Natural Buttes	COUNTY	Uintah	STATE
			Utah	ELEVATION
			5,080'	GL
			KB	5,095'
SURFACE LOCATION	SENE SEC. 23, T8S, R23E 1980'FNL, 660'FEL			BHL
	Latitude: 40.109972 Longitude: 109.287253			Straight Hole
OBJECTIVE ZONE(S)	Wasatch/Mesaverde			
ADDITIONAL INFO	Regulatory Agencies: BLM (SURF & MINERALS), UDOGM, Tri-County Health Dept.			

GEOLOGICAL FORMATION		DEPTH	HOLE SIZE	MECHANICAL CASING SIZE	MUD WEIGHT
LOGS	TOPS	40'		14"	
Catch water sample, if possible, from 0 to 5,042'			12-1/4"	9-5/8", 32.3#, H-40, STC	Air mist
Green River @ 1,737'					
Preset f/ GL @ 2,800' MD					
Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone.					
Mahogany @ 3,037'					Water/Fresh Water Mud 8.3-11.0 ppg
Mud logging program TBD Open hole logging program f/ TD - surf csg			7-7/8"	4-1/2", 11.6#, I-80 or equivalent LTC casing	
Wasatch @ 5,042'					
Mverde @ 7,027'					
MVU2 @ 8,016'					
MVL1 @ 8,470'					
TD @ 9,190'					Max anticipated Mud required 11.0 ppg





# KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

## CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 2800	32.30	H-40	STC	0.70*****	1.05	3.21
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 9190	11.60	I-80	LTC	2.41	1.21	2.16

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))  
 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)  
 (Burst Assumptions: TD = 11.0 ppg) .22 psi/ft = gradient for partially evac wellbore  
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)  
 MASP 3235 psi

\*\*\*\*\* Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

## CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
			NOTE: If well will circulate water to surface, option 2 will be utilized				
PRODUCTION	LEAD	4,540'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	500	60%	11.00	3.38
	TAIL	4,650'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1300	60%	14.30	1.31

\*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained  
 \*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

## FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

## ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.  
 BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.  
 Drop Tolco surveys every 2000'. Maximum allowable hole angle is 5 degrees.  
 Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Brad Laney

DATE:

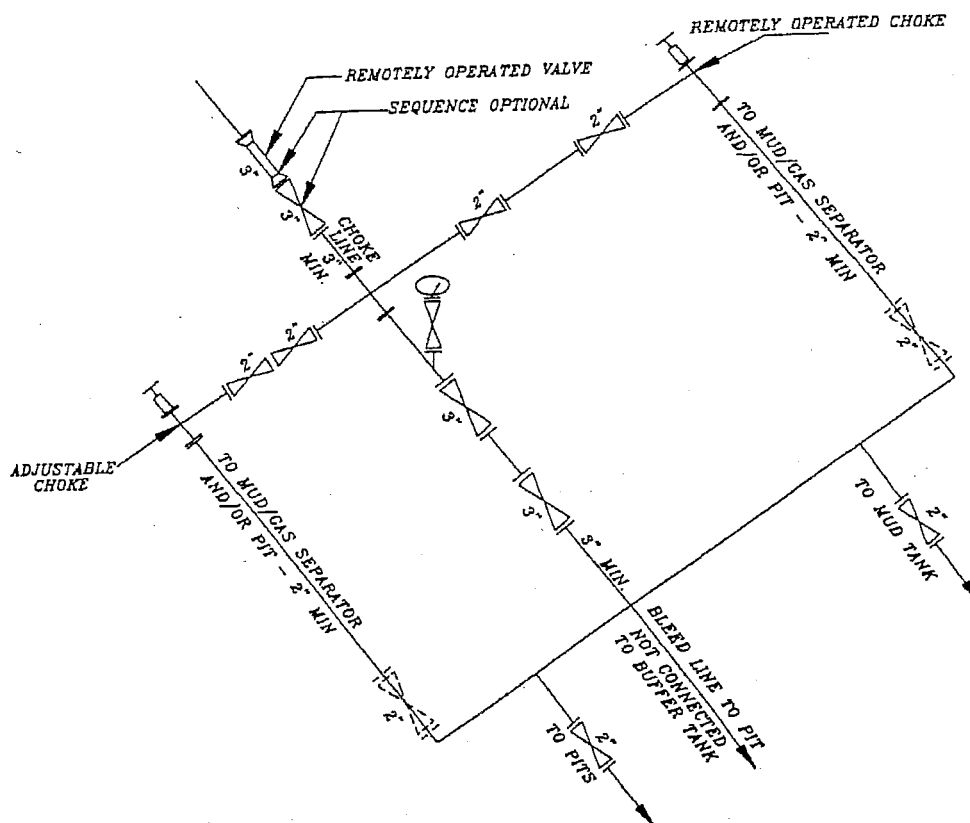
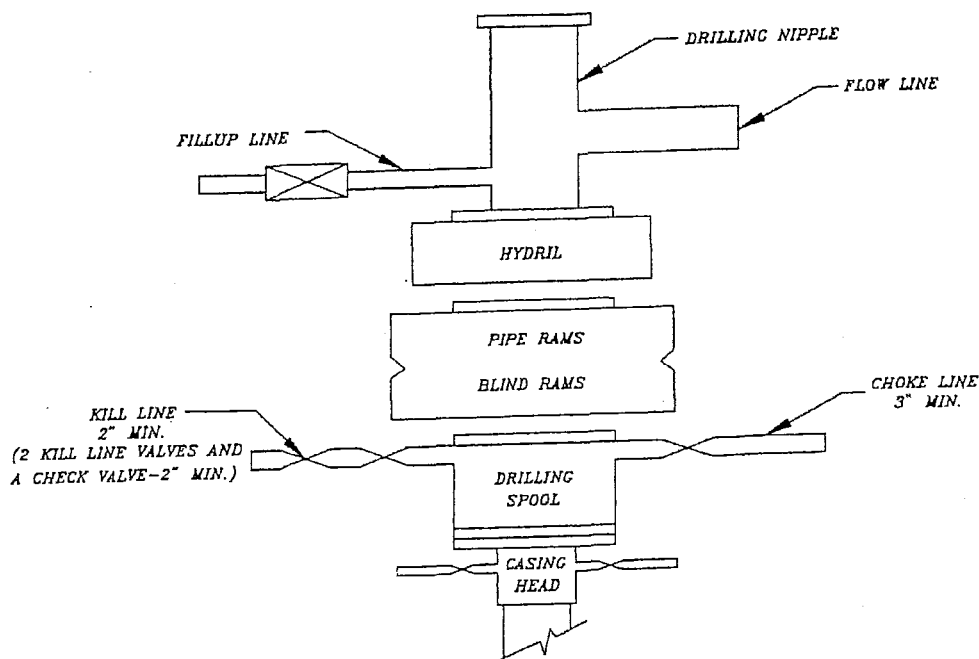
DRILLING SUPERINTENDENT:

Randy Bayne MULLIGAN823-23H DHD.xls

DATE:



# 5M BOP STACK and CHOKE MANIFOLD SYSTEM





MULLIGAN 823-23H  
SENE SEC 23, T8S, R23E  
UINTAH COUNTY, UTAH  
UTU-71424

ONSHORE ORDER NO. 1

*MULTI-POINT SURFACE USE & OPERATIONS PLAN*

1. Existing Roads:

Directions to the proposed location are attached.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

Approximately 120' +/- of access road is proposed. Refer to Topo Map B.

A 18" CMP is required. Refer to Topo Map B.

A 24" Culvert shall be installed in County Road. As discussed at the on-site inspection.

The access road will be crowned (2 to 3%), ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. 1989.

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free-flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing or shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches, and the turnouts kept clear so that snowmelt will be channeled away from the road.



3. **Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

4. **Location of Existing & Proposed Facilities:**

*The following guidelines will apply if the well is productive.*

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon (2.5 Y 6/2) as determined during the on-site inspection.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Refer to Topo Map D for the placement of the proposed pipeline.

**Variances to Best Management Practices (BMPs) Requested:**

A 30' of rights-of-way will be required for approximately 12,256' +/- of 4" steel pipeline is proposed to a tie-in point to an existing pipeline. The proposed pipeline from the location will travel south in Sec. 23, T8S, R23E Lease #UTU-71424 onto Sec. 26, T8S, R23E Lease #UTU-75108. Then onto Sec. 35, T8S, R23E to an existing tie-in point. Refer to Topo Map D and Map D1 for pipeline placement.

A 30' of rights-of-way will be required for approximately 8350' +/- of 4" pipeline is proposed from the tie-in point in Sec. 35, T8S, R23E, the pipeline will travel south into Sec. 2, T8S, R23E and then travel West into Sec. 3, T8S, R23E to and tie-in point. Refer to Topo Map D for pipeline placement.

A 30' of rights of way will be required for approximately 2144' +/- of 4" steel pipeline is proposed from the pipeline extension in Sec. 3, T9S, R23E Lease #UTU-01304 to an existing tie-in point in Sec. 4, T9S, R23E Lease #UTU-82281. Refer to Topo Map D and D1 for pipeline placement.

The pipeline will be installed on surface within the access corridor for the well location. As a Best Management Practice (BMP), the pipeline would be buried within the access road corridor if possible. The construction of pipelines requires the corridor of 30 feet.



This exception to the BMP should be granted by the BLM Authorized Officer because indurated bedrock, such as sandstone, is at or within 2 feet of the surface.

5. **Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec.32, T4S,R3E, Water User Claim #43-8496, Application #53617.

Where available a 2" or 3" poly pipe will be installed with the existing rights-of-way to supply water during drilling and completion operations. There will be no new disturbance needed and the poly line will be removed after completion operations. The fresh water will be supplied from the power plant located within the following Sections 23, 24, 25, 26, 35, & 36, T8S, R23E.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. **Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. **Methods of Handling Waste Materials:**

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner is to be used as discussed during on-site inspection. It will be a minimum of 20 mil thick and felt, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.



Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

*Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E. (Request is in lieu of filing Form 3160-5, after initial production).*

8. **Ancillary Facilities:**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

10. **Plans for Reclamation of the Surface:**

*Producing Location:*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.



Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring of the pit, the stockpiled topsoil will be spread evenly over the location and the location will be reseeded see seed mixture.

*Dry Hole/Abandoned Location:*

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

**11. Surface Ownership:**

United States of America  
Bureau of Land Management  
170 South 500 East  
Vernal, UT 84078  
(435) 789-1362

**12. Other Information:**

A Class III archaeological survey and a paleontological survey have been completed and the reports will be submitted when reports become available.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance. The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.



**Seed Mixture:**

The following seed mixture will be used during interim reclamation:

Galleta Grass                      20 lb/acre

Operator will contact the BLM for the seed mixture when final reclamation of the location occurs.

**13. Lessee's or Operators's Representative & Certification:**

Sheila Upchego  
Regulatory Analyst  
Kerr-McGee Oil & Gas Onshore LP  
1368 South 1200 East  
Vernal, UT 84078  
(435) 781-7024

Randy Bayne  
Drilling Manager  
Kerr-McGee Oil & Gas Onshore LP  
1368 South 1200 East  
Vernal, UT 84078  
(435)781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP, is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP, agrees to be responsible under the terms and the conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for the lease activities is being provided by BLM Nationwide Bond #WY-2357.

I hereby certify that the proposed drill site and access route has been inspected and that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

  
Sheila Upchego

September 12, 2006  
Date



Kerr-McGee Oil & Gas Onshore LP  
MULLIGAN #823-23H  
SECTION 23, T8S, R23E, S.L.B.&M.

PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 24.1 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 2.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 120' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 30.1 MILES.



# Kerr-McGee Oil & Gas Onshore LP

## MULLIGAN #823-23H

LOCATED IN UTAH COUNTY, UTAH  
SECTION 23, T8S, R23E, S.L.B.&M.

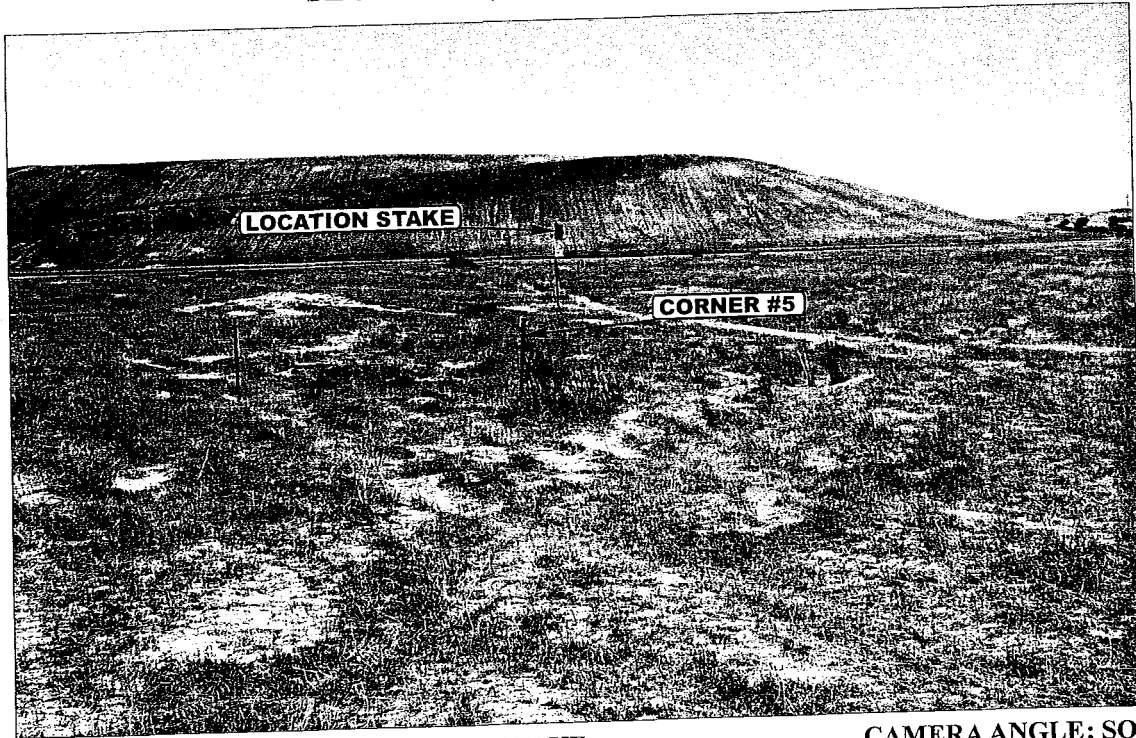


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: EASTERLY



- Since 1964 -

**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

06 20 06  
MONTH DAY YEAR

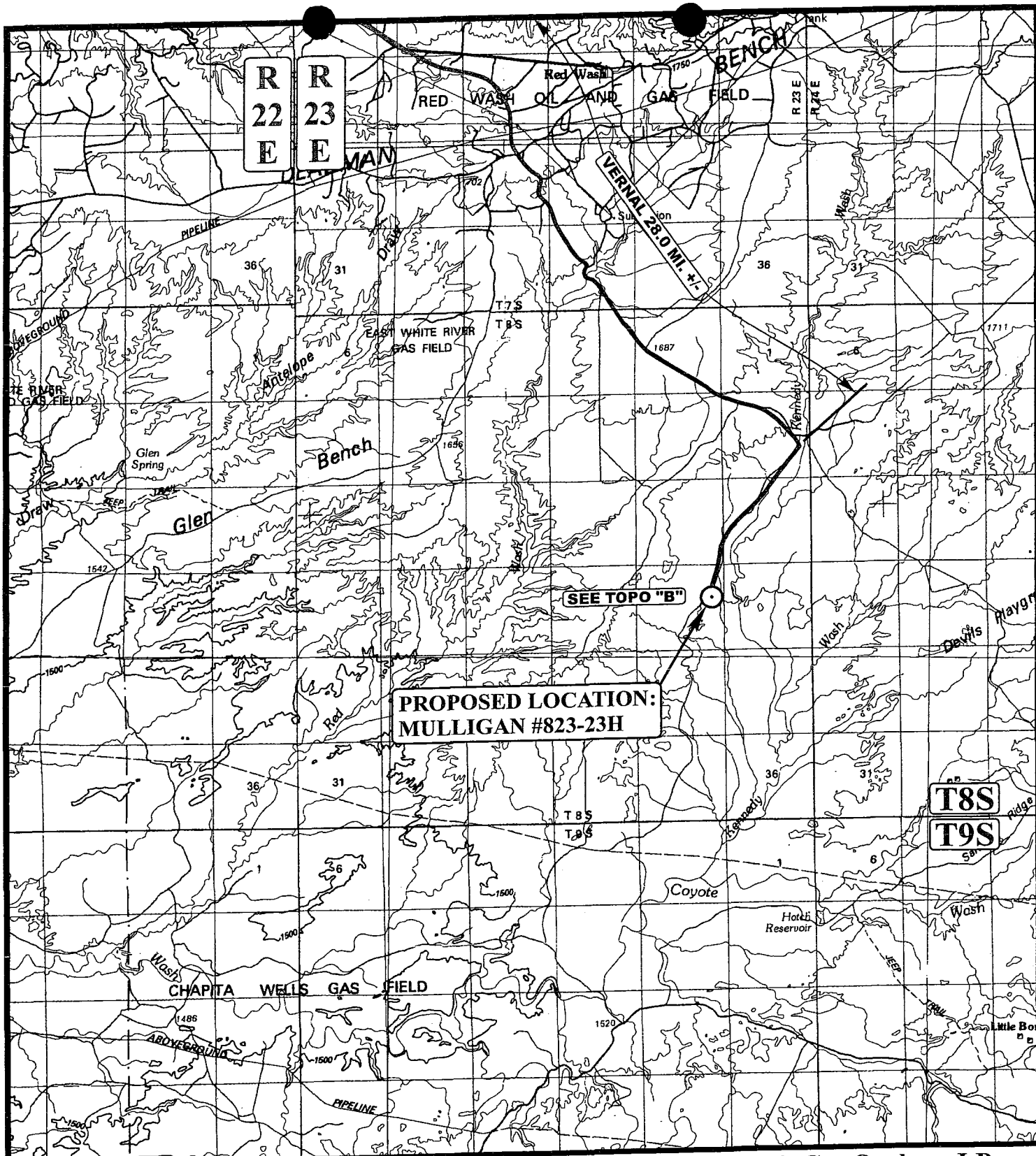
PHOTO

TAKEN BY: D.K.

DRAWN BY: C.P.

REVISED: 00-00-00





# LEGEND:

○ PROPOSED LOCATION

Kerr-McGee Oil & Gas Onshore LP

MULLIGAN #823-23H

SECTION 23, T8S, R23E, S.L.B.&M.

1980' FNL 660' FEL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



TOPOGRAPHIC  
MAP

06 2006  
MONTH DAY YEAR

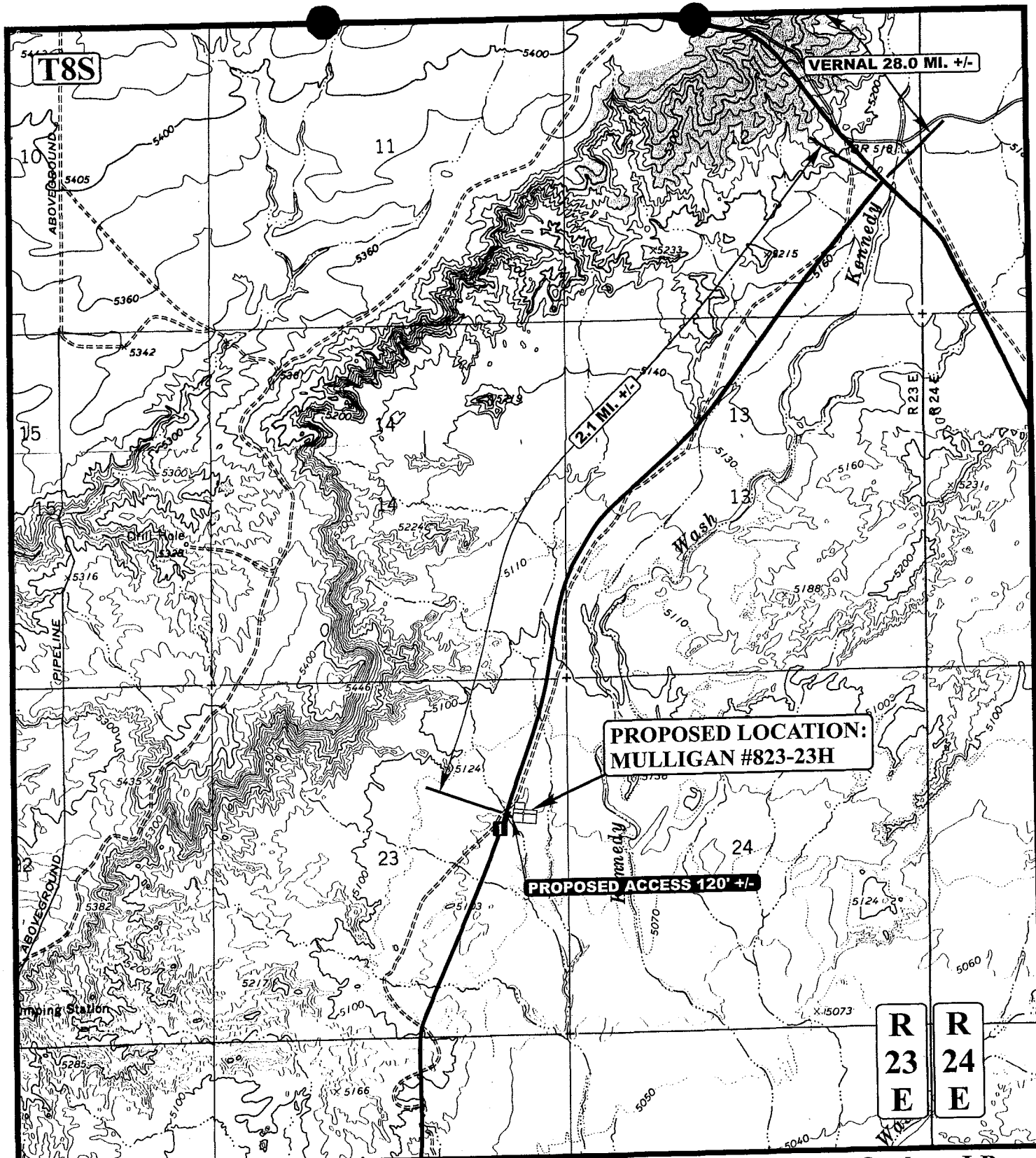
SCALE: 1:100,000

DRAWN BY: C.P.

REVISED: 00-00-00







# **LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- 18" CMP REQUIRED



**Kerr-McGee Oil & Gas Onshore LP**

**MULLIGAN #823-23H**

**SECTION 23, T8S, R23E, S.L.B.&M.**

**1980' FNL 660' FEL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

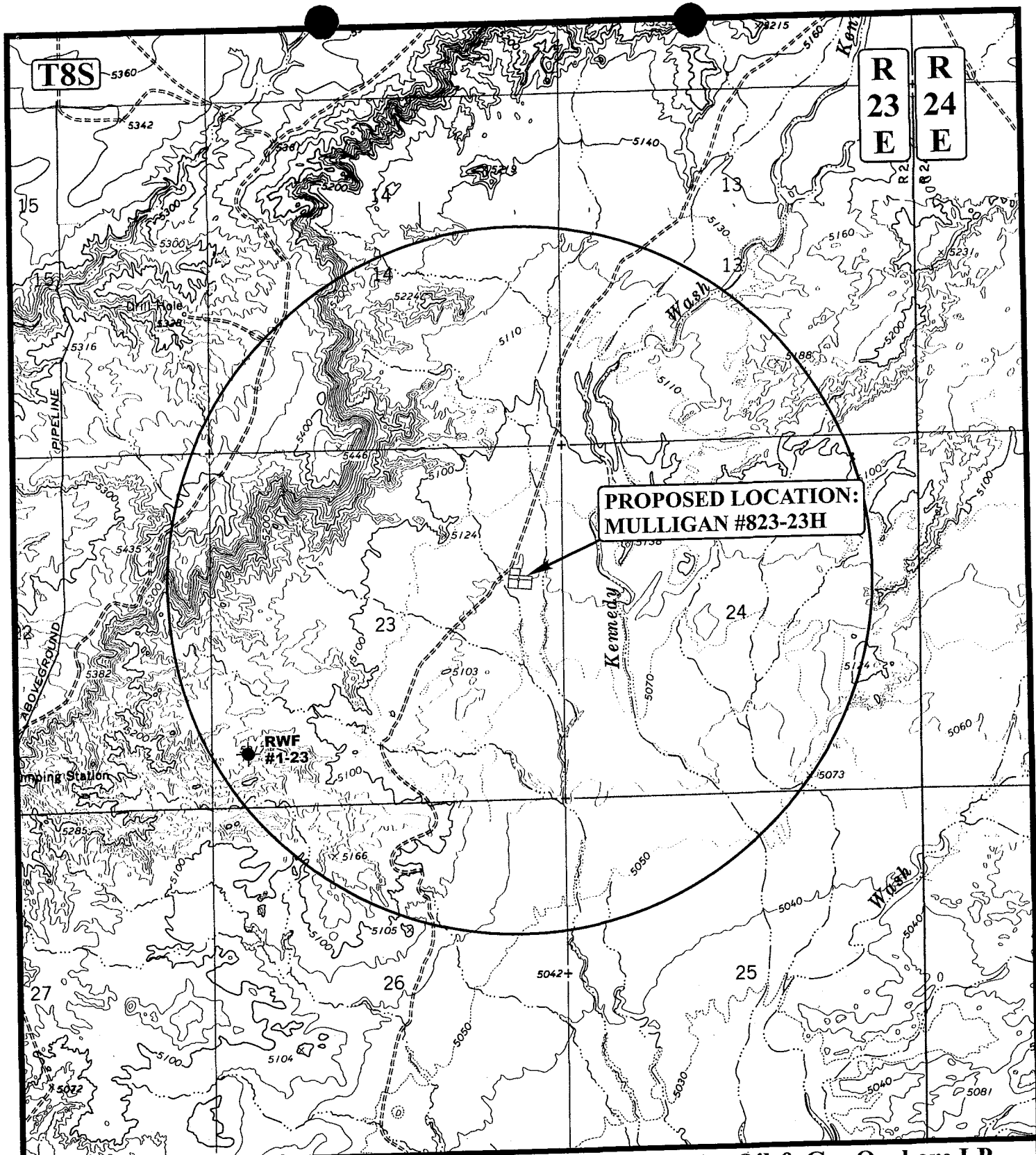
**TOPOGRAPHIC MAP**

**06 20 06**  
 MONTH DAY YEAR

**SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00**

**B**  
**TOPO**





# **LEGEND:**

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**Kerr-McGee Oil & Gas Onshore LP**

**MULLIGAN #823-23H**  
**SECTION 23, T8S, R23E, S.L.B.&M.**  
**1980' FNL 660' FEL**

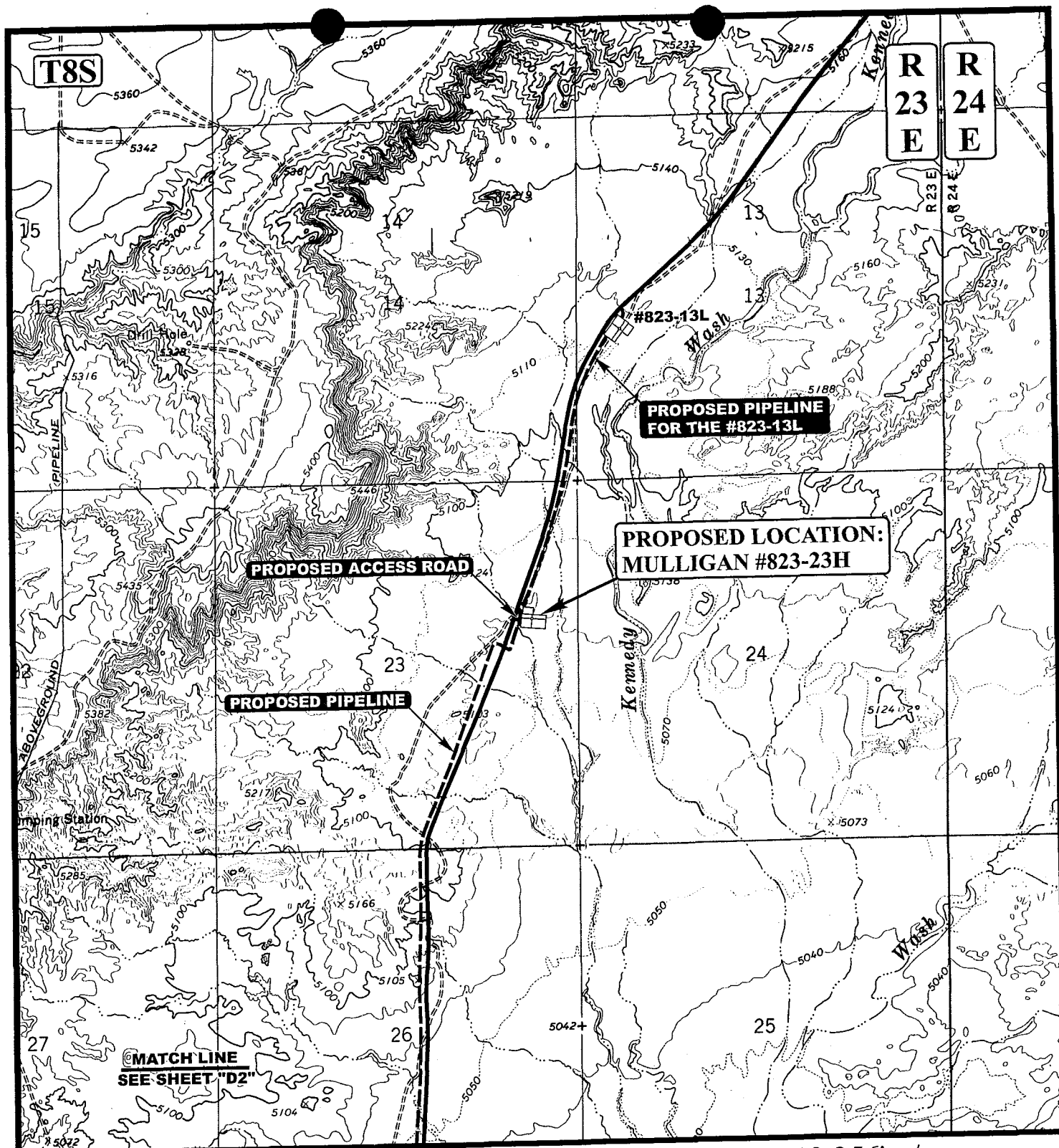
**TOPOGRAPHIC**  
**MAP**

**06** **20** **06**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00







APPROXIMATE TOTAL PIPELINE DISTANCE = 12,256' +/-

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)

N

**Kerr-McGee Oil & Gas Onshore LP**

**MULLIGAN #823-23H**  
**SECTION 23, T8S, R23E, S.L.B.&M.**  
**1980' FNL 660' FEL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

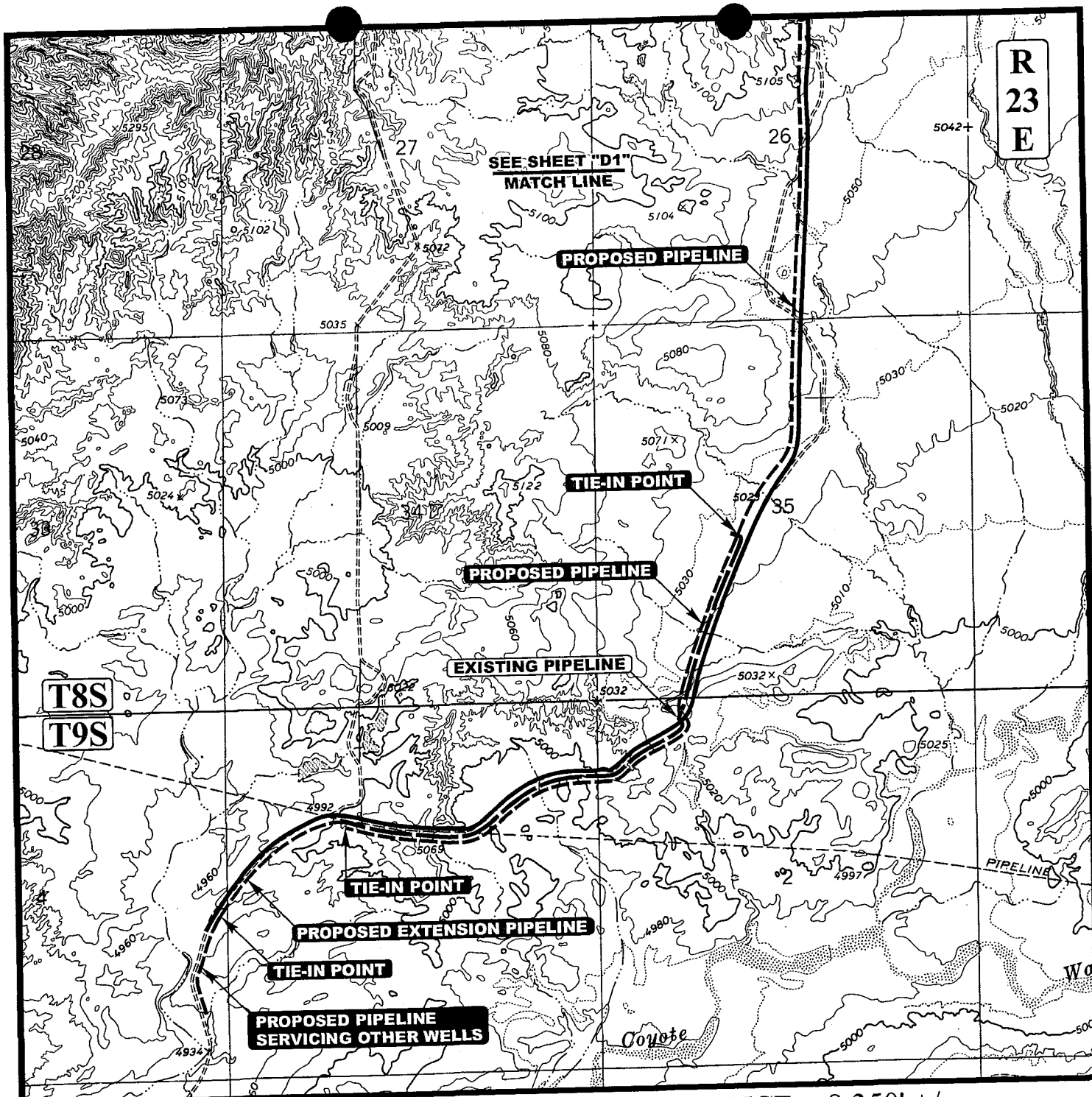
**TOPOGRAPHIC**  
**MAP**

**06** **20** **06**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 09-12-06

**D1**  
**TOPO**





APPROXIMATE TOTAL PIPELINE DISTANCE = 8,350' +/-

APPROXIMATE TOTAL PIPELINE DISTANCE = 2,144' +/-

APPROXIMATE TOTAL PIPELINE DISTANCE = 12,256' +/-

# LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)

N



Kerr-McGee Oil & Gas Onshore LP

MULLIGAN #823-23H

SECTION 23, T8S, R23E, S.L.B.&M.

1980' FNL 660' FEL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC  
MAP

06 20 06  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 09-12-06

D2  
TOPO



# Kerr-McGee Oil & Gas Onshore LP

## MULLIGAN #823-23H

### PIPELINE ALIGNMENT

#### LOCATED IN UTAH COUNTY, UTAH

#### SECTION 23, T8S, R23E, S.L.B.&M.

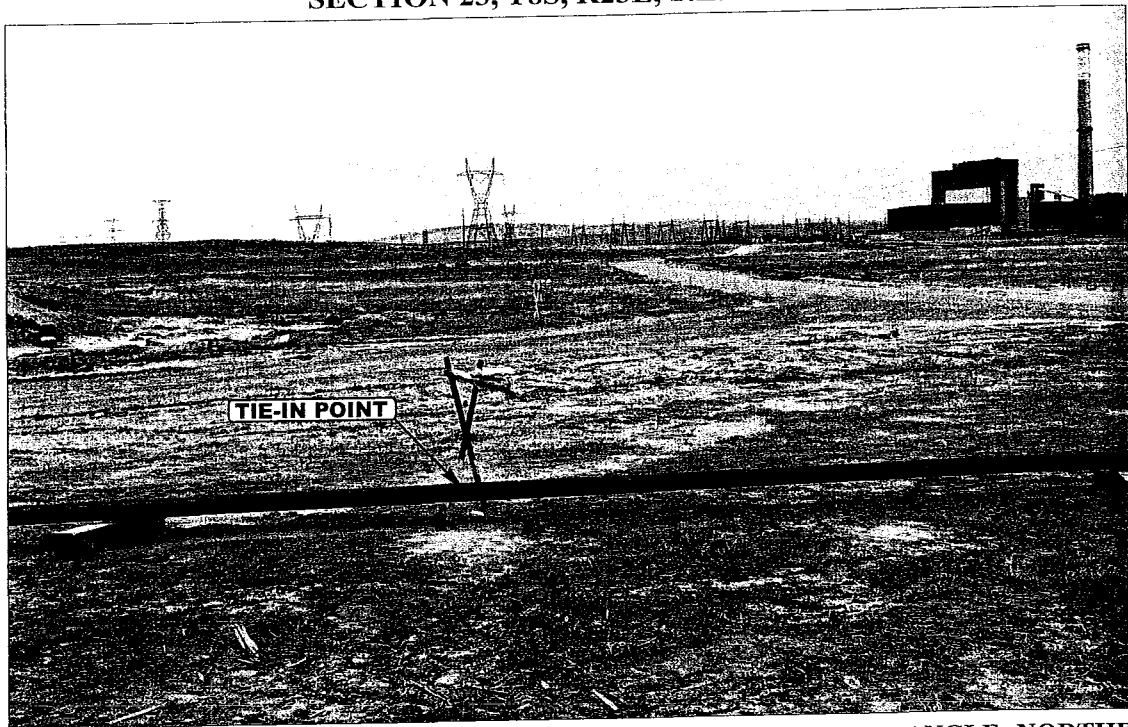


PHOTO: VIEW OF TIE-IN POINT

CAMERA ANGLE: NORTHEASTERLY

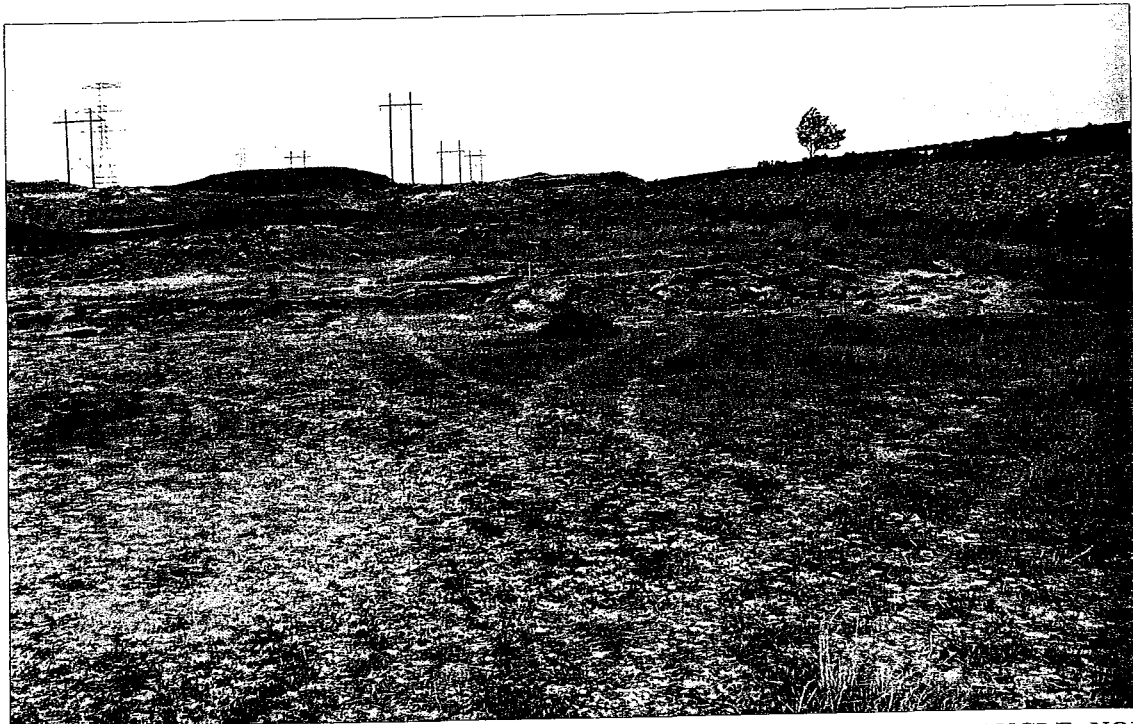


PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: NORTHERLY



- Since 1964 -

**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

PIPELINE PHOTOS

06 20 06  
MONTH DAY YEAR

PHOTO

TAKEN BY: D.K.

DRAWN BY: C.P.

REVISED: 00-00-00




## FIGURE #1

MULLIGAN #823-23H  
SECTION 23, T8S, R23E, S.L.B.&M.  
1980' FNL 660' FEL

$F-0.3'$   
El. 79.3'

Approx.  
Toe of  
Fill Slope

Sta. 3+50

Approx.  
Top of   
Cut Slope

NOTE: Flare Pit is to be located  
a min. of 100' from the  
Well Head.

REGISTERED LAND SURVEYOR  
No. 161319  
ROBERT L. JOHNSON  
STATE OF UTAH

El. 80.2' | C  
C-10.6'  
(btm. pit)

Reserve Pit Backfill  
& Spoils Stockpile

15' WIDE BENCH

150'

RESERVE PITS  
(10' Deep)

Total Pit Capacity  
W/2' of Freeboard  
= 15,490 Bbls. ±  
Total Pit Volume  
= 4,280 Cu. Yds.

1 1/2:1 Slope

El. 82.3'  
C-12.7'  
(btm. pit)

C-0.3'  
El. 79.9'

C-0.5'  
El. 80.1'

Sta. 1+50

F-0.9'  
El. 78.7'

*Existing  
Drainage*

WATER  
TANK

Sta. 0+50

Old Road

Sta. 0+00

C-1.8'  
El. 81.4'

C-0.8'  
El. 80.4'

C-0.1'  
El. 79.7'

-Proposed Access Road

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5080.1'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5079.6'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017



# Kerr-McGee Oil & Gas Onshore LP

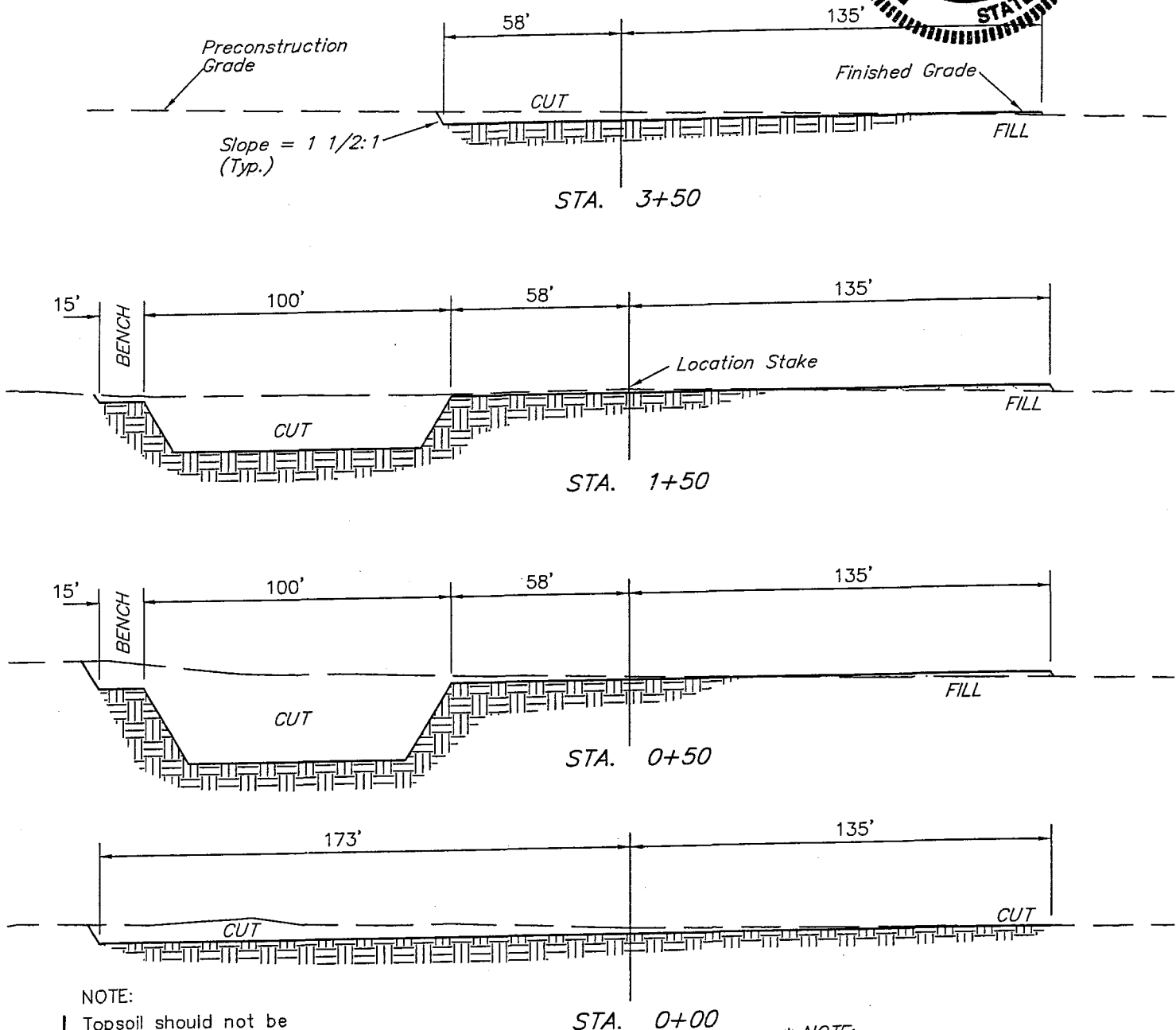
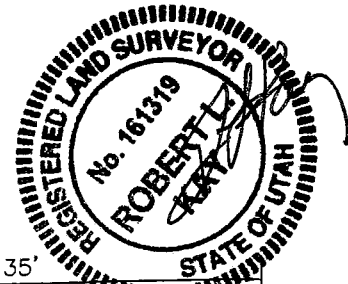
FIGURE #2

## TYPICAL CROSS SECTIONS FOR

MULLIGAN #823-23H  
SECTION 23, T8S, R23E, S.L.B.&M.  
1980' FNL 660' FEL

1" = 20'  
X-Section  
Scale  
1" = 50'

DATE: 06-12-06  
Drawn By: D.R.B.



### NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

### APPROXIMATE YARDAGES

CUT  
(6") Topsoil Stripping = 1,700 Cu. Yds.  
Remaining Location = 5,320 Cu. Yds.  
  
TOTAL CUT = 7,020 CU.YDS.  
FILL = 1,070 CU.YDS.

EXCESS MATERIAL = 5,950 Cu. Yds.  
Topsoil & Pit Backfill = 3,840 Cu. Yds.  
(1/2 Pit Vol.)  
EXCESS UNBALANCE = 2,110 Cu. Yds.  
(After Interim Rehabilitation)  
UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017



**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 09/15/2006

API NO. ASSIGNED: 43-047-38631

WELL NAME: MULLIGAN 823-23H

OPERATOR: KERR-MCGEE OIL & GAS ( N2995 )

CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

**PROPOSED LOCATION:**

SENE 23 080S 230E

SURFACE: 1980 FNL 0660 FEL

BOTTOM: 1980 FNL 0660 FEL

COUNTY: UINTAH

LATITUDE: 40.11001 LONGITUDE: -109.2866

UTM SURF EASTINGS: 646029 NORTHINGS: 4441164

FIELD NAME: UNDESIGNATED ( 2 )

INSPECT LOCATN BY: / /		
<b>Tech Review</b>	<b>Initials</b>	<b>Date</b>
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-71424

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

**RECEIVED AND/OR REVIEWED:**

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. WY-2357 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. 43-8496 )  
☒ RDCC Review (Y/N)  
(Date: )  
☒ Fee Surf Agreement (Y/N)  
☒ Intent to Commingle (Y/N)

**LOCATION AND SITING:**

☐ R649-2-3.  
Unit: MULLIGAN  
☒ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells  
☐ R649-3-3. Exception  
☐ Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_  
☐ R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: 1- Entry Approval

Special Grip







# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:  
3160  
(UT-922)

September 20, 2006

### Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2006 Plan of Development Mulligan, Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Mulligan Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ Wasatch/MesaVerde)		
43-047-38619	Mulligan 823-3P	Sec 03 T08S R23E 0466 FSL 0858 FEL
43-047-38620	Mulligan 823-3F	Sec 03 T08S R23E 2095 FNL 1984 FWL
43-047-38622	Mulligan 823-7M	Sec 07 T08S R23E 0636 FSL 0804 FWL
43-047-38623	Mulligan 823-7I	Sec 07 T08S R23E 1878 FSL 0461 FEL
43-047-38624	Mulligan 823-8H	Sec 08 T08S R23E 1980 FNL 0661 FEL
43-047-38625	Mulligan 823-10O	Sec 10 T08S R23E 0660 FSL 1980 FEL
43-047-38626	Mulligan 823-13L	Sec 13 T08S R23E 2164 FSL 0625 FWL
43-047-38627	Mulligan 823-15F	Sec 15 T08S R23E 1979 FNL 1980 FWL
43-047-38621	Mulligan 823-4B	Sec 04 T08S R23E 0689 FNL 2145 FEL
43-047-38628	Mulligan 823-20O	Sec 20 T08S R23E 0811 FSL 2176 FEL
43-047-38630	Mulligan 823-21K	Sec 21 T08S R23E 1865 FSL 1786 FWL
43-047-38631	Mulligan 823-23H	Sec 23 T08S R23E 1980 FNL 0660 FEL
43-047-38629	Mulligan 823-21B	Sec 21 T08S R23E 0767 FNL 2297 FEL
43-047-38616	Mulligan 822-13D	Sec 13 T08S R22E 1088 FNL 0470 FWL
43-047-38614	Mulligan 822-12M	Sec 12 T08S R22E 0691 FSL 1081 FWL
43-047-38618	Mulligan 822-13E	Sec 13 T08S R22E 2259 FNL 0866 FWL
43-047-38615	Mulligan 822-12L	Sec 12 T08S R22E 2161 FSL 0538 FWL
43-047-38617	Mulligan 822-13L	Sec 13 T08S R22E 1858 FSL 0763 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard





**State of Utah**  
**Department of**  
**Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of**  
**Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

September 21, 2006

Kerr-McGee Oil & Gas Onshore LP  
1368 South 1200 East  
Vernal, UT 84078

Re: Mulligan 823-23H Well, 1980' FNL, 660' FEL, SE NE, Sec. 23, T. 8 South,  
R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38631.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Uintah District Office



Operator: Kerr-McGee Oil & Gas Onshore LP  
Well Name & Number Mulligan 823-23H  
API Number: 43-047-38631  
Lease: UTU-71424

Location: SE NE      Sec. 23      T. 8 South      R. 23 East

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>UTU-00043X 24U-21424</b>
2. Name of Operator <b>KERR MCGEE OIL AND GAS ONSHORE LP</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>1368 SOUTH 1200 EAST VERNAL, UT 84078</b>	3b. Phone No. (include area code) <b>435-781-7003</b>	7. If Unit or CA/Agreement, Name and/or No. <b>MULLIGAN UNIT</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>1980' FNL 660' FEL SENE, SEC 23-T8S-R23E</b>		8. Well Name and No. <b>MULLIGAN 823-23H</b>
		9. API Well No. <b>4304738631</b>
		10. Field and Pool, or Exploratory Area <b>UNDESIGNATED</b>
		11. County or Parish, State

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>APD EXTENSION</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL AND GAS **APPROVED BY THE** 2005.

Utah Division of  
Oil, Gas and Mining

Date: **08-20-07**  
By: **[Signature]**

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) <b>REBECCA WORTHEN</b>	Title <b>LAND SPECIALIST</b>
Signature <b>Rebecca Worthen</b>	Date <b>August 8, 2007</b>

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

COPY SENT TO OPERATOR  
Date: **8-21-07**  
Initials: **km**

**RECEIVED**

**AUG 16 2007**

DIV. OF OIL, GAS & MINING



**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 4304738631  
**Well Name:** MULLIGAN 823-23H  
**Location:** SENE, SEC 23-T8S-R23E  
**Company Permit Issued to:** KERR MCGEE OIL AND GAS ONSHORE LP  
**Date Original Permit Issued:** 9/21/06

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Rebecca Northen  
Signature

\_\_\_\_\_  
Date

**Title:** LAND SPECIALIST

**Representing:** Kerr McGee Oil and Gas Onshore LP

RECEIVED

AUG 16 2007

DIV. OF OIL, GAS & MINING



STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-71424
2. NAME OF OPERATOR: Kerr-McGee Oil & Gas Onshore, LP	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: P.O. Box 173779 CITY Denver STATE CO ZIP 80217-3779	7. UNIT or CA AGREEMENT NAME: Mulligan Unit
PHONE NUMBER: (720) 929-6226	8. WELL NAME and NUMBER: Mulligan 823-23H
9. API NUMBER: 4304738631	10. FIELD AND POOL, OR WILDCAT: Natural Buttes Field

4. LOCATION OF WELL FOOTAGES AT SURFACE: 1980' FNL & 660' FEL COUNTY: Uintah QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 23 8S 23E STATE: UTAH
--

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____  <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>APD Extension</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Kerr-McGee Oil & Gas Onshore, LP, respectfully requests a one year extension for the subject well location so that drilling operations may be completed. The original APD was approved by the Division of Oil, Gas, and Mining on 9/21/2006.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 08-12-08  
By: [Signature]

NAME (PLEASE PRINT) <u>Kevin McIntyre</u>	TITLE <u>Regulatory Analyst I</u>
SIGNATURE <u>[Signature]</u>	DATE <u>8/7/2008</u>

(This space for State use only)

COPY SENT TO OPERATOR

Date: 8-14-2008

Initials: KS

(See Instructions on Reverse Side)

RECEIVED

AUG 11 2008

DIV. OF OIL, GAS & MINING





**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 4304738631  
**Well Name:** Mulligan 823-23H  
**Location:** SENE Sec. 23, T8S, R23E  
**Company Permit Issued to:** Kerr-McGee Oil & Gas Onshore, LP  
**Date Original Permit Issued:** 9/21/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

  
Signature

8/7/2008  
Date

Title: Regulatory Analyst

Representing: Kerr-McGee Oil & Gas Onshore, LP

**RECEIVED**  
**AUG 11 2008**  
DIV. OF OIL, GAS & MINING



STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-71424
2. NAME OF OPERATOR: Kerr-McGee Oil & Gas Onshore, LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: P.O. Box 173779 CITY Denver STATE CO ZIP 80217-3779		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1980' FNL & 660' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 23 8S 23E		8. WELL NAME and NUMBER: Mulligan 823-23H
PHONE NUMBER: (720) 929-6226		9. API NUMBER: 4304738631
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Natural Buttes Field
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: APD Extension
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Kerr-McGee Oil & Gas Onshore, LP, respectfully requests a one year extension for this APD in order to complete drilling operations. The Utah Division of Oil, Gas, and Mining initially approved this APD on 9/21/2006.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 09-03-08  
By: [Signature]

COPY SENT TO OPERATOR

Date: 9.8.2008

Initials: KS

NAME (PLEASE PRINT) Kevin McIntyre

TITLE Regulatory Analyst

SIGNATURE [Signature]

DATE 9/2/2008

(This space for State use only)

RECEIVED

SEP 03 2008

DIV. OF OIL, GAS & MINING



**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 4304738631  
**Well Name:** Mulligan  
**Location:** 823-23H  
**Company Permit Issued to:** Kerr-McGee Oil & Gas Onshore, LP  
**Date Original Permit Issued:** 9/21/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

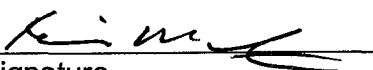
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

  
Signature

9/2/2008  
Date

Title: Regulatory Analyst

Representing: Kerr-McGee Oil & Gas Onshore, LP

**RECEIVED**  
**SEP 03 2008**  
DIV. OF OIL, GAS & MINING





JON M. HUNTSMAN, JR.

Governor

GARY R. HERBERT

Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

February 24, 2009

Raleen White  
Anadarko Petroleum Corp.  
PO Box 173779  
Denver, CO 80217-3779

43 047 38631  
Mulligan 823-23H  
8S 23E 23

Re: APDs Rescinded at the request of Anadarko Petroleum Corp.

Dear Ms. White:

Enclosed find the list of APDs that you requested to be rescinded to Anadarko Petroleum Corp. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective February 20, 2009.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject locations.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

Environmental Scientist

cc: Well File  
Bureau of Land Management, Vernal  
SITLA, Ed Bonner





43047395730000	FEDERAL 1021-23P	10S	21E	23	SESE
43047395770000	FEDERAL 1021-25I	10S	21E	25	NESE
43047395760000	FEDERAL 1021-25M	10S	21E	25	SWSW
43047397930000	Federal 1021-25N	10S	21E	25	SESW
43047395810000	FEDERAL 1021-34K	10S	21E	34	NESW
43047395520000	FEDERAL 1021-34M	10S	21E	34	SWSW
43047395560000	FEDERAL 1021-34P	10S	21E	34	SESE
43047389890000	FEDERAL 1021-35F	10S	21E	35	SENW
43047389760000	FEDERAL 1021-35G	10S	21E	35	SWNE
43047389380000	FEDERAL 1021-35H	10S	21E	35	SENE
43047389350000	FEDERAL 1021-35I	10S	21E	35	NESE
43047389330000	FEDERAL 1021-35P	10S	21E	35	SESE
43047389370000	FEDERAL 1021-35A	10S	21E	35	NENE
43047365050000	LOVE 1121-2B	11S	21E	02	NWNE
43047394050000	LOVE UNIT 1121-10NT	11S	21E	10	SESW
43047393910000	LOVE UNIT 1121-3NT	11S	21E	03	SWSW
43047388240000	LOVE UNIT 1122-18C	11S	22E	18	NENW
43047388250000	LOVE UNIT 1122-18J	11S	22E	18	NWSE
43047388260000	LOVE UNIT 1122-18K	11S	22E	18	NESW
43047396050000	LOVE UNIT 1122-18L	11S	22E	18	NWSW
43047396030000	LOVE UNIT 1122-19C	11S	22E	19	NENW
43047386310000	MULLIGAN 823-23H	08S	23E	23	SENE
43047387130000	MULLIGAN 823-24O	08S	23E	24	SWSE
43047393730000	NBU 1020-1KT	10S	20E	01	NESW
43047393740000	NBU 1020-24BT	10S	20E	24	NWNE
43047393760000	NBU 1021-11I	10S	21E	11	NESE
43047393800000	NBU 1021-11M	10S	21E	11	SWSW
43047393790000	NBU 1021-11P	10S	21E	11	SESE
4304739383	NBU 1021-12A	10S	21E	12	NENE
43047393860000	NBU 1021-12L - STATE	10S	21E	12	NWSW
43047393840000	NBU 1021-12N	10S	21E	12	SESW
43047395470000	NBU 1021-15F	10S	21E	15	SENW
43047395460000	NBU 1021-15L	10S	21E	15	NWSW
43047395630000	NBU 1021-15P	10S	21E	15	SESE
43047395260000	NBU 1021-20G STATE/FED	10S	21E	20	SWNE
43047395340000	NBU 1021-20J STATE/FED	10S	21E	20	NWSE
43047395330000	NBU 1021-20K STATE/FED	10S	21E	20	NESW
43047395320000	NBU 1021-20L STATE/FED	10S	21E	20	NWSW
43047395310000	NBU 1021-20O STATE/FED	10S	21E	20	SWSE
43047375280000	NBU 1021-21C (FKA C275)	10S	21E	21	NENW
43047367020000	NBU 1021-21H	10S	21E	21	SENE
43047395500000	NBU 1021-22A	10S	21E	22	NENE
43047394030000	NBU 1021-23FT	10S	22E	23	SENW
43047395600000	NBU 1021-23L	10S	21E	23	NWSW
43047395780000	NBU 1021-25F	10S	21E	25	SENW
43047395750000	NBU 1021-25J	10S	21E	25	NWSE
43047395610000	NBU 1021-25K	10S	21E	25	NESW



43047395800000	NBU 1021-26D	10S	21E	26	NWNW
43047395790000	NBU 1021-26E	10S	21E	26	SWNW
43047379680000	NBU 1021-6C	10S	21E	06	NENW LOT 3
43047379670000	NBU 1021-6D	10S	21E	06	NWNW LOT 4
43047379410000	NBU 1021-7B	10S	21E	07	NWNE
43047401850000	NBU 921-31BT	09S	21E	31	NWNE
43047363950000	NBU 921-33K	09S	21E	33	NESW
4304740038	HATCH 923-13A	09S	23E	13	NENE
4304740060	HATCH 923-13ED	09S	23E	13	SWNW
4304740059	HATCH 923-13O	09S	23E	13	SWSE
4304740061	HATCH 923-14M	09S	23E	14	SWSW
4304740143	HATCH 923-14O	09S	23E	14	SWSE
4304740064	HATCH 923-15B	09S	23E	15	NWNE
4304740062	HATCH 923-15L	09S	23E	15	NWSW
4304740063	HATCH 923-15P	09S	23E	15	SESE
4304740065	HATCH 923-24O	09S	23E	24	SWSE
4304740069	HATCH 923-25A	09S	23E	25	NENE
4304740068	HATCH 923-25I	09S	23E	25	NESE
4304740070	HATCH 923-25O	09S	23E	25	SWSE
43047388010000	FEDERAL 1022-15H	10S	22E	15	SENE
4304739388	FEDERAL 1022-15K	10S	22E	15	NESW
43047389240000	FEDERAL 1022-15L	10S	22E	15	NWSW





# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Green River District-Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/ut/st/en/fo/vernal/html>



IN REPLY REFER TO:

3160

LLUTG01100

March 19, 2009

Raleen White  
Kerr McGee Oil & Gas Onshore LP  
PO Box 173779  
Denver, CO 80217-3779

43047-38631

Re: Return Unapproved APD  
Well No. Mulligan 823-23H  
SENE, Sec. 23, T8S, R23E  
Uintah County, Utah  
Lease No. UTU-71424  
Mulligan Unit

Dear Ms. White:

The Application for Permit to Drill (APD) for the above referenced well received September 12, 2006, is being returned unapproved per your request to this office in an email message on February 20, 2009. If you intend to drill at this location at a future date, a new APD must be submitted.

If you have any questions regarding this matter, please contact me at (435) 781-4455.

Sincerely,

*Cindy Severson*

Cindy Severson  
Land Law Examiner

Enclosures

cc: UDOGM

RECEIVED

MAR 30 2009

DIV. OF OIL, GAS & MINING